



Shell Chemical LP

April 10, 2009

Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

22486.1

Dear Secretary Quinlan:

Shell Chemical LP submits the following written comments in relation to Finance Docket 35219, Petition for Declaratory Order.

Shell Chemical LP (SCLP) is an affiliated entity of Shell Oil Company, the US affiliate of Royal Dutch Shell plc. Shell has extensive operations in the United States. Its organizations explore, develop, produce, purchase, transport and market crude oil and natural gas. They also purchase, manufacture, transport and market oil, motor fuel and chemical products and provide technical and business services

SCLP manufactures a variety of bulk products such as olefins, aromatics, solvents, ethylene oxide/glycols, to name several. Manufacturing facilities are operated in Texas, Louisiana (2), and Alabama. Because chemical products manufactured by Shell are predominantly "base" or "intermediate" chemicals our customers are most often other manufacturers that supply products that are present in virtually every aspect of our daily lives. Countless products that we all use every day in our homes, our cars, at work, or while we relax owe their beginnings to the raw materials that SCLP provides.

Many of the products produced by SCLP are classified as hazardous materials by the Department of Transportation. SCLP relies heavily on rail transportation to deliver these products across North America. SCLP is a large producer of ethylene oxide (a TIH material), yet we consume most of our production internally and only transport a small portion of the overall production. Ethylene oxide is widely used in the production of a number of products such as anti-freeze, polyester fibers, cosmetics, pharmaceuticals, paints, detergents, soaps, and brake fluid to name a few.

Ethylene oxide produced by SCLP, as mentioned above, is a commodity with even fewer producers than producers of chlorine. Issues related to decisions of UP in declining to offer rates for transportation would thus be multiplied if carried over from transportation of chlorine to transportation of ethylene oxide. Companies that purchase ethylene oxide would suffer heightened risk of uncompetitive pricing by sole suppliers. They would see increased risk of disruption and idling of facilities due to sole supply source force majeure events or even planned shutdowns. Sellers like SCLP would

suffer increased risk of being foreclosed from the entire market by happenstance of marginally closer proximity of another supplier to the limited pool of consumers.

Shell Chemical LP is a member of the American Chemistry Council (ACC) and has executive representation in various committees within ACC. Shell Chemical LP supports the written comments submitted by the ACC in relation to this proceeding.

Sincerely,

A handwritten signature in cursive script, reading "Delia A. Del Fierro".

Delia A. Del Fierro
Manager, Land Logistics Americas
Shell Chemical LP